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May 31, 2006

**VIA HAND DELIVERY**

The Honorable Joseph J. Farnan, Jr.  
United States District Court  
District of Delaware  
844 N. King Street  
Room 4124, Lockbox 27  
Wilmington, DE 19801

RE: Stanziale v. Pepper Hamilton, et al., No. 04-1551  
Royal Indemnity Co. v. Pepper Hamilton LLP, et al., No. 05-165

Dear Judge Farnan:

In the Court's May 18, 2006 Order, Your Honor directed each party to submit a letter setting forth its position on any issues that remained in dispute after the parties attempted to negotiate a joint scheduling order and deposition coordination plan. We write on behalf of defendants Pepper Hamilton LLP and W. Roderick Gagné (the "Pepper Defendants") in compliance with that Order.

The Pepper Defendants agree with the proposed Case Management Order submitted by Royal. Although the schedule will require the parties to move through discovery at an aggressive pace, we believe that the proposed dates are reasonable and will enable the parties to move the case toward a final resolution as expeditiously as possible.

The Pepper Defendants agree to all of the terms in the draft Discovery Coordination Order submitted by Royal except for the proposed length of depositions set out in section I.A. The order as drafted would authorize the parties to depose certain witnesses for as many as six days. We believe that it would be patently unreasonable to subject any witnesses to a six day deposition. In addition, authorizing such lengthy depositions would make it difficult to complete discovery and resolve these cases in the time frame set forth in either of the proposed scheduling orders. The Pepper Defendants propose the following time limits in section I.A.:

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“A Witnesses” may be deposed for no more than three days;

“B Witnesses” may be deposed for no more than two days; and

“C Witnesses” may be deposed for no more than one day.

We look forward to the opportunity to discuss these issues in more detail during the conference on June 1.

Respectfully Yours,

A handwritten signature in black ink, appearing to read 'DBB', with a long horizontal flourish extending to the right.

Daniel B. Butz

DBB/clh

cc: All counsel on attached service list

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